AMENDED IN ASSEMBLY SEPTEMBER 1, 2015 AMENDED IN ASSEMBLY AUGUST 17, 2015 AMENDED IN SENATE MAY 5, 2015 AMENDED IN SENATE APRIL 6, 2015

SENATE BILL

No. 226

Introduced by Senator Pavley

February 13, 2015

An act to amend Sections 10720.1, 10720.5, 10720.8, 10721, 10722.2, 10735, and 10735.8 *and 10722.2* of, to add Section 105.5 to, and to add Chapter 12 (commencing with Section 10737) to Part 2.74 of Division 6 of, the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 226, as amended, Pavley. Sustainable Groundwater Management Act: groundwater adjudication.

The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable. Existing law specifies the jurisdiction of the courts. Under existing law, courts may adjudicate rights to produce groundwater and exercise other powers relating to the supervision of a groundwater basin. Existing law authorizes a court to order a reference to the State Water Resources Control Board, as referee, of any and all issues involved in the suit.

This bill would authorize the state to intervene as a matter of right in any suit brought in any court for determination of rights to water.

Existing law, the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins $SB 226 \qquad \qquad -2-$

subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. The act authorizes a local agency to request that the department revise the boundaries of a basin.

This bill would establish special procedures for certain adjudication actions determining rights to groundwater in furtherance of the objectives of the act. The bill would provide that a court shall use the procedures in the Code of Civil Procedure for these adjudication actions. except as provided by the special procedures established in the bill. The bill would authorize the court to determine all rights to groundwater in a basin whether based on appropriation, overlying right, or other basis of right. The bill would require the boundaries of the area subject to an adjudication action to be consistent with the boundaries of a basin, with specified exceptions. The bill would specify service and notice procedures and would deem fulfillment of the service and publication provisions as effective service of process of the complaint and notice on all interested parties of the adjudication action for purposes of establishing in rem jurisdiction and the comprehensive effect of the adjudication action. The bill would require a party to provide specified initial disclosures, as prescribed, and under penalty of perjury. By expanding the scope of the crime of perjury, the bill would impose a state-mandated local program. The bill would require the court to have the authority and duty to impose a physical solution on the parties in an adjudication action where necessary and would authorize the court to adopt a stipulated judgment if the court finds that the judgment meets certain criteria. This bill would require the court to have continuing jurisdiction to modify or amend a final judgment in an adjudication action, as specified.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill, in an adjudication action to determine rights to groundwater in a basin that is required to have a groundwater sustainability plan under the act, would require the court to manage the proceedings in a -3- SB 226

manner that minimizes interference with the timely completion and implementation of a groundwater sustainability plan, avoids redundancy and unnecessary costs in the development of technical information and a physical solution, and is consistent with the attainment of sustainable groundwater management within the timeframes established by the act. The bill would authorize an entity that is directed by the court in an adjudication action to file the request to request that the department revise the boundaries of a basin.

The act authorizes the state board to designate certain high- and medium-priority basins as a probationary basin if prescribed criteria are met. The act authorizes the state board to develop an interim plan for a probationary basin if the state board, in consultation with the department, determines that a local agency has not remedied a deficiency that resulted in designating the basin as a probationary basin within a certain timeframe. The act also requires the department, at least every 5 years after initial submission, to review any available groundwater sustainability plan or alternative and the implementation of the corresponding groundwater sustainability program for consistency with the act, including achieving the sustainability goal. The act requires the department to issue an assessment for each basin for which a plan or alternative has been submitted that may include recommended corrective actions to address any deficiencies identified by the department.

The bill would prohibit the provisions relating to probationary basins and interim plans from applying to a stipulated judgment approved by the court if the judgment is submitted to the department for evaluation and assessment and the department determines that the judgment satisfies the objectives of the act for the basin. The bill would require the department to submit to the court assessments and any recommended corrective actions for these judgments and would require the court, after notice and, if necessary, an evidentiary hearing, to determine whether to amend the judgment to adopt the department's recommended corrective actions. This bill would prohibit a court from approving entry of judgment in an adjudication action for a basin required to have a groundwater sustainability plan under the act unless the court finds that the judgment will not substantially impair the ability of a groundwater sustainability agency, the board, or the department to comply with the act and to achieve sustainable groundwater management.

SB 226 —4—

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Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes-no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 105.5 is added to the Water Code, to 2 read:
 - 105.5. (a) Notwithstanding any other law, the state may intervene as a matter of right in any suit brought in any court for determination of rights to water.
 - (b) This section does not affect substantive law.
- SEC. 2. Section 10720.1 of the Water Code is amended to read: 10720.1. In enacting this part, it is the intent of the Legislature to do all of the following:
- 10 (a) To provide for the sustainable management of groundwater 11 basins.
 - (b) To enhance local management of groundwater consistent with rights to use or store groundwater and Section 2 of Article X of the California Constitution. It is the intent of the Legislature to preserve the security of water rights in the state to the greatest extent possible consistent with the sustainable management of groundwater.
 - (c) To establish minimum standards for sustainable groundwater management.
 - (d) To provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater.
 - (e) To avoid or minimize subsidence.
 - (f) To improve data collection and understanding about groundwater.
 - (g) To increase groundwater storage and remove impediments to recharge.
 - (h) To manage groundwater basins through the actions of local governmental agencies to the greatest extent feasible, while minimizing state intervention to only when necessary to ensure that local agencies manage groundwater in a sustainable manner.
 - (i) To provide a more efficient and cost-effective groundwater adjudication process that protects water rights, ensures due process, prevents unnecessary delay, and furthers the objectives of this part.
 - SEC. 3. Section 10720.5 of the Water Code is amended to read:

5 SB 226

10720.5. (a) Groundwater management pursuant to this part shall be consistent with Section 2 of Article X of the California Constitution. Nothing in this part modifies rights or priorities to use or store groundwater consistent with Section 2 of Article X of the California Constitution, except that in basins designated medium- or high-priority basins by the department, no extraction of groundwater between January 1, 2015, and the date of adoption of a groundwater sustainability plan pursuant to this part or the approval by the department of an alternative submitted under Section 10733.6, whichever is sooner, may be used as evidence of, or to establish or defend against, any claim of prescription.

- (b) Nothing in this part, or in any groundwater management plan adopted pursuant to this part, determines or alters surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights.
- (c) Water rights may be determined in an adjudication action pursuant to Chapter 12 (commencing with Section 10737). Chapter 7 (commencing with Section 830) of Title 10 of Part 2 of the Code of Civil Procedure.

SEC. 4. Section 10720.8 of the Water Code is amended to read: 10720.8. (a) Except as provided in subdivisions (e) and (g), this part does not apply to the following adjudicated areas or a local agency that conforms to the requirements of an adjudication of water rights for one of the following adjudicated areas:

- 25 (1) Beaumont Basin.
- 26 (2) Brite Basin.

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- 27 (3) Central Basin.
- 28 (4) Chino Basin.
- 29 (5) Cucamonga Basin.
- 30 (6) Cummings Basin.
- 31 (7) Goleta Basin.
- 32 (8) Lytle Basin.
- 33 (9) Main San Gabriel Basin.
- 34 (10) Mojave Basin Area.
- 35 (11) Puente Basin.
- 36 (12) Raymond Basin.
- 37 (13) Rialto-Colton Basin.
- 38 (14) Riverside Basin.
- 39 (15) San Bernardino Basin Area.
- 40 (16) San Jacinto Basin.

 $SB 226 \qquad \qquad -6-$

1 (17) Santa Margarita River Watershed.

- 2 (18) Santa Maria Valley Basin.
- 3 (19) Santa Paula Basin.
- 4 (20) Scott River Stream System.
- 5 (21) Seaside Basin.
- 6 (22) Six Basins.

- 7 (23) Tehachapi Basin.
- 8 (24) Upper Los Angeles River Area.
 - (25) Warren Valley Basin.
- 10 (26) West Coast Basin.
 - (b) The Antelope Valley basin at issue in the Antelope Valley Groundwater Cases (Judicial Council Coordination Proceeding Number 4408) shall be treated as an adjudicated basin pursuant to this section if the superior court issues a final judgment, order, or decree.
 - (e) Any groundwater basin or portion of a groundwater basin in Inyo County managed pursuant to the terms of the stipulated judgment in City of Los Angeles v. Board of Supervisors of the County of Inyo, et al. (Inyo County Case No. 12908) shall be treated as an adjudicated area pursuant to this section.
 - (d) The Los Osos Groundwater Basin at issue in Los Osos Community Service District v. Southern California Water Company [Golden State Water Company] et al. (San Luis Obispo County Superior Court Case No. CV 040126) shall be treated as an adjudicated basin pursuant to this section if the superior court issues a final judgment, order, or decree.
 - (e) If an adjudication action has determined the rights to extract groundwater for only a portion of a basin, subdivisions (a), (b), (c), and (d) apply only within the area for which the adjudication action has determined those rights.
 - (f) The watermaster or a local agency within a basin identified in subdivision (a) shall do all of the following:
 - (1) By April 1, 2016, submit to the department a copy of a governing final judgment, or other judicial order or decree, and any amendments entered before April 1, 2016.
 - (2) Within 90 days of entry by a court, submit to the department a copy of any amendment made and entered by the court to the governing final judgment or other judicial order or decree on or after April 1, 2016.

7 SB 226

(3) By April 1, 2016, and annually thereafter, submit to the department a report containing the following information to the extent available for the portion of the basin subject to the adjudication:

- (A) Groundwater elevation data unless otherwise submitted pursuant to Section 10932.
- (B) Annual aggregated data identifying groundwater extraction for the preceding water year.
- (C) Surface water supply used for or available for use for groundwater recharge or in-lieu use.
 - (D) Total water use.

- (E) Change in groundwater storage.
- (F) The annual report submitted to the court.
- (g) A court with jurisdiction over a proposed expansion of an adjudicated area described in subdivisions (a) to (d), inclusive, may order that the proceeding be conducted in accordance with Chapter 12 (commencing with Section 10737).
- SEC. 5. Section 10721 of the Water Code is amended to read: 10721. Unless the context otherwise requires, the following definitions govern the construction of this part:
- (a) "Adjudication action" means an action filed in the superior or federal district court to determine the rights to extract groundwater from a basin or store water within a basin, including, but not limited to, actions to quiet title respecting rights to extract or store groundwater or an action brought to impose a physical solution on a basin.
- (b) "Basin" means a groundwater basin or subbasin identified and defined in Bulletin 118 or as modified pursuant to Chapter 3 (commencing with Section 10722).
- (e) "Bulletin 118" means the department's report entitled "California's Groundwater: Bulletin 118" updated in 2003, as it may be subsequently updated or revised in accordance with Section 12924.
- (d) "Coordination agreement" means a legal agreement adopted between two or more groundwater sustainability agencies that provides the basis for coordinating multiple agencies or groundwater sustainability plans within a basin pursuant to this part.
- 39 (e) "De minimis extractor" means a person who extracts, for domestic purposes, two acre-feet or less per year.

SB 226 —8—

(f) "Expert witness" means a witness qualified pursuant to Section 720 of the Evidence Code.

- (g) "Governing body" means the legislative body of a groundwater sustainability agency.
- (h) "Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water, but does not include water that flows in known and definite channels.
- (i) "Groundwater extraction facility" means a device or method for extracting groundwater from within a basin.
- (j) "Groundwater recharge" means the augmentation of groundwater, by natural or artificial means.
- (k) "Groundwater sustainability agency" means one or more local agencies that implement the provisions of this part. For purposes of imposing fees pursuant to Chapter 8 (commencing with Section 10730) or taking action to enforce a groundwater sustainability plan, "groundwater sustainability agency" also means each local agency comprising the groundwater sustainability agency if the plan authorizes separate agency action.
- (l) "Groundwater sustainability plan" or "plan" means a plan of a groundwater sustainability agency proposed or adopted pursuant to this part.
- (m) "Groundwater sustainability program" means a coordinated and ongoing activity undertaken to benefit a basin, pursuant to a groundwater sustainability plan.
- (n) "Local agency" means a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin.
- (o) "Operator" means a person operating a groundwater extraction facility. The owner of a groundwater extraction facility shall be conclusively presumed to be the operator unless a satisfactory showing is made to the governing body of the groundwater sustainability agency that the groundwater extraction facility actually is operated by some other person.
- (p) "Owner" means a person owning a groundwater extraction facility or an interest in a groundwater extraction facility other than a lien to secure the payment of a debt or other obligation.
- (q) "Personal information" has the same meaning as defined in Section 1798.3 of the Civil Code.

-9- SB 226

(r) "Planning and implementation horizon" means a 50-year time period over which a groundwater sustainability agency determines that plans and measures will be implemented in a basin to ensure that the basin is operated within its sustainable yield.

- (s) "Public water system" has the same meaning as defined in Section 116275 of the Health and Safety Code.
- (t) "Recharge area" means the area that supplies water to an aquifer in a groundwater basin.
- (u) "State small water system" has the same meaning as defined in Section 116275 of the Health and Safety Code.
- (v) "Sustainability goal" means the existence and implementation of one or more groundwater sustainability plans that achieve sustainable groundwater management by identifying and causing the implementation of measures targeted to ensure that the applicable basin is operated within its sustainable yield.
- (w) "Sustainable groundwater management" means the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results.
- (x) "Sustainable yield" means the maximum quantity of water, ealculated over a base period representative of long-term conditions in the basin and including any temporary surplus, that can be withdrawn annually from a groundwater supply without causing an undesirable result.
- (y) "Undesirable result" means one or more of the following effects caused by groundwater conditions occurring throughout the basin:
- (1) Chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply if continued over the planning and implementation horizon. Overdraft during a period of drought is not sufficient to establish a chronic lowering of groundwater levels if extractions and recharge are managed as necessary to ensure that reductions in groundwater levels or storage during a period of drought are offset by increases in groundwater levels or storage during other periods.
- (2) Significant and unreasonable reduction of groundwater storage.
 - (3) Significant and unreasonable seawater intrusion.

-10-

(4) Significant and unreasonable degraded water quality, including the migration of contaminant plumes that impair water supplies.

- (5) Significant and unreasonable land subsidence that substantially interferes with surface land uses.
- (6) Depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water.
- (z) "Water budget" means an accounting of the total groundwater and surface water entering and leaving a basin including the changes in the amount of water stored.
- (aa) "Watermaster" means a watermaster appointed by a court or pursuant to other law.
- (ab) "Water year" means the period from October 1 through the following September 30, inclusive.
- (ac) "Wellhead protection area" means the surface and subsurface area surrounding a water well or well field that supplies a public water system through which contaminants are reasonably likely to migrate toward the water well or well field.

SEC. 6.

- SEC. 4. Section 10722.2 of the Water Code is amended to read: 10722.2. (a) A local agency or an entity directed by the court in an adjudication action to file the request may request that the department revise the boundaries of a basin, including the establishment of new subbasins. A request shall be supported by the following information:
- (1) Information demonstrating that the proposed adjusted basin can be the subject of sustainable groundwater management.
- (2) Technical information regarding the boundaries of, and conditions in, the proposed adjusted basin.
- (3) Information demonstrating that the entity proposing the basin boundary adjustment consulted with interested local agencies and public water systems in the affected basins before filing the proposal with the department.
- (4) Other information the department deems necessary to justify revision of the basin's boundary.
- (b) By January 1, 2016, the department shall adopt regulations regarding the information required to comply with subdivision (a), including the methodology and criteria to be used to evaluate the proposed revision. The department shall adopt the regulations,

-11- SB 226

including any amendments thereto, authorized by this section as emergency regulations in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health and safety, or general welfare. Notwithstanding the Administrative Procedure Act, emergency regulations adopted by the department pursuant to this section shall not be subject to review by the Office of Administrative Law and shall remain in effect until revised by the department.

(c) Methodology and criteria established pursuant to subdivision (b) shall address all of the following:

- (1) How to assess the likelihood that the proposed basin can be sustainably managed.
- (2) How to assess whether the proposed basin would limit the sustainable management of adjacent basins.
- (3) How to assess whether there is a history of sustainable management of groundwater levels in the proposed basin.
- (d) Prior to adopting the regulations pursuant to subdivision (b), the department shall conduct three public meetings to consider public comments. The department shall publish the draft regulations on its Internet Web site at least 30 days before the public meetings. One meeting shall be conducted at a location in northern California, one meeting shall be conducted at a location in the central valley of California, and one meeting shall be conducted at a location in southern California.
- (e) The department shall provide a copy of its draft revision of a basin's boundaries to the California Water Commission. The California Water Commission shall hear and comment on the draft revision within 60 days after the department provides the draft revision to the commission.
- SEC. 7. Section 10735 of the Water Code is amended to read: 10735. As used in this chapter and Chapter 12 (commencing with Section 10737), the following terms have the following meanings:
- (a) "Condition of long-term overdraft" means the condition of a groundwater basin where the average annual amount of water extracted for a long-term period, generally 10 years or more,

SB 226 — 12 —

exceeds the long-term average annual supply of water to the basin, plus any temporary surplus. Overdraft during a period of drought is not sufficient to establish a condition of long-term overdraft if extractions and recharge are managed as necessary to ensure that reductions in groundwater levels or storage during a period of drought are offset by increases in groundwater levels or storage during other periods.

- (b) "Person" means any person, firm, association, organization, partnership, business, trust, corporation, limited liability company, or public agency, including any city, county, city and county, district, joint powers authority, state, or any agency or department of those entities. "Person" includes, to the extent authorized by federal or tribal law and subject to the limitations described in subdivisions (c) and (d) of Section 10720.3, the United States, a department, agency or instrumentality of the federal government, an Indian tribe, an authorized Indian tribal organization, or interstate body.
- (c) "Probationary basin" means a basin for which the board has issued a determination under Section 10735.2.
- (d) "Significant depletions of interconnected surface waters" means reductions in flow or levels of surface water that is hydrologically connected to the basin such that the reduced surface water flow or levels have a significant and unreasonable adverse impact on beneficial uses of the surface water.
- SEC. 8. Section 10735.8 of the Water Code is amended to read: 10735.8. (a) The board, after notice and a public hearing, may adopt an interim plan for a probationary basin.
 - (b) The interim plan shall include all of the following:
- (1) Identification of the actions that are necessary to correct a condition of long-term overdraft or a condition where groundwater extractions result in significant depletions of interconnected surface waters, including recommendations for appropriate action by any person.
 - (2) A time schedule for the actions to be taken.
- (3) A description of the monitoring to be undertaken to determine effectiveness of the plan.
- 37 (c) The interim plan may include the following:
 - (1) Restrictions on groundwater extraction.
- 39 (2) A physical solution.

__13__ SB 226

(3) Principles and guidelines for the administration of rights to surface waters that are connected to the basin.

- (d) Except as provided in subdivision (e), the interim plan shall be consistent with water right priorities, subject to Section 2 of Article X of the California Constitution.
- (e) The board shall include in its interim plan a groundwater sustainability plan, or any element of a plan, that the board finds complies with the sustainability goal for that portion of the basin or would help meet the sustainability goal for the basin. Where, in the judgment of the board, an adjudication action can be relied on as part of the interim plan, either throughout the basin or in an area within the basin, the board may rely on, or incorporate elements of, that adjudication into the interim plan adopted by the board.
- (f) In carrying out activities that may affect the probationary basin, state entities shall comply with an interim plan adopted by the board pursuant to this section unless otherwise directed or authorized by statute and the state entity shall indicate to the board in writing the authority for not complying with the interim plan.
- (g) (1) After the board adopts an interim plan under this section, the board shall determine if a groundwater sustainability plan or an adjudication action is adequate to eliminate the condition of long-term overdraft or condition where groundwater extractions result in significant depletions of interconnected surface waters, upon petition of either of the following:
- (A) A groundwater sustainability agency that has adopted a groundwater sustainability plan for the probationary basin or a portion thereof.
- (B) A person authorized to file the petition by a judicial order or decree entered in an adjudication action in the probationary basin.
- (2) The board shall act on a petition filed pursuant to paragraph (1) within 90 days after the petition is complete. If the board, in consultation with the department, determines that the groundwater sustainability plan or adjudication action is adequate, the board shall reseind the interim plan adopted by the board for the probationary basin, except as provided in paragraphs (3) and (4).
- (3) Upon request of the petitioner, the board may amend an interim plan adopted under this section to eliminate portions of

SB 226 — 14—

the interim plan, while allowing other portions of the interim plan to continue in effect.

- (4) The board may decline to reseind an interim plan adopted pursuant to this section if the board determines that the petitioner has not provided adequate assurances that the groundwater sustainability plan or judicial order or decree will be implemented.
- (5) This subdivision is not a limitation on the authority of the board to stay its proceedings under this section or to rescind or amend an interim plan adopted pursuant to this section based on the progress made by a groundwater sustainability agency or in an adjudication action pursuant to Chapter 12 (commencing with Section 10737), even if the board cannot make a determination of adequacy in accordance with paragraph (1).
- (h) Before January 1, 2025, the state board shall not establish an interim plan under this section to remedy a condition where the groundwater extractions result in significant depletions of interconnected surface waters.
- (i) The board's authority to adopt an interim plan under this section does not alter the law establishing water rights priorities or any other authority of the board.
- SEC. 9. Chapter 12 (commencing with Section 10737) is added to Part 2.74 of Division 6 of the Water Code, to read:

Chapter 12. Determination of Rights to Groundwater

Article 1. General Provisions

10737. (a) This chapter establishes a timely and comprehensive method for determining rights to groundwater in furtherance of the objectives of this part.

- (b) This chapter shall be applied and interpreted consistently with all of the following:
- (1) Protecting water rights consistent with Section 2 of Article X of the California Constitution.
- (2) Conducting an adjudication action in a manner that promotes efficiency, reduces unnecessary delays, provides due process, and is consistent with the achievement of the sustainability goal within the timeframes of this part.
- (3) Encouraging the compromise and settlement of adjudication actions.

__ 15 __ SB 226

(4) Establishing procedures by which courts may conduct comprehensive determinations of all rights and priorities to groundwater in a basin.

- (5) Providing for the conduct of an adjudication action consistent with Winters v. U.S. (1908) 207 U.S. 564, the McCarran Amendment (codified at 43 U.S.C. Sec. 666), and any other federal law regarding the determination of federal or tribal water rights, as applicable.
- (6) Providing notice and due process sufficient to enable a court in an adjudication action to determine and establish the priority for unexercised water rights consistent with the principles established in In re Waters of Long Valley Creek Stream System (1979) 25 Cal.3d 339.
- 10737.2. In an adjudication action for a basin required to have a groundwater sustainability plan under this part, the court shall manage the proceedings in a manner that minimizes interference with the timely completion and implementation of a groundwater sustainability plan, avoids redundancy and unnecessary costs in the development of technical information and a physical solution, and is consistent with the attainment of the sustainability goal within the timeframes established by this part.
- 10737.4. Except as otherwise provided in this chapter, a court shall determine rights to groundwater using the procedures codified in the Code of Civil Procedure.

Article 2. Scope of the Action

- 10738. (a) Except as provided in subdivision (b), this chapter applies to either of the following:
 - (1) An adjudication action in a high- or medium-priority basin.
- (2) Where a court considers the need for effective determination and administration of water rights and priorities, the purposes of this part, and the interest in judicial economy, and determines that proceedings in an adjudication action should be conducted under this chapter.
- (b) This chapter does not apply to any of the following adjudication actions:
- (1) An adjudication action that concerns only allegations that a groundwater extraction facility, or a group of facilities, is interfering with another groundwater extraction facility or facilities

and that does not require an allocation of the basin's groundwater
 supply.

- (2) An adjudication action that concerns only claims to extract, or prevent interference with extractions from, water stored in a basin as a result of artificial recharge and does not involve an allocation of the basin's groundwater supply.
- (3) An adjudication action that can be resolved among a limited number of parties and does not involve a comprehensive allocation of the basin's groundwater supply.
- 10738.2. (a) The court may determine all rights to groundwater in an adjudication action for a basin, whether based upon appropriation, overlying right, or other basis of right.
- (b) As to the right to groundwater of each party, the court's final judgment in an adjudication action may declare the priority, amount, purposes of use, extraction location, and place of use of the water, together with appropriate injunction relief, subject to terms adopted by the court to implement a physical solution in the adjudication action.
- 10738.4. (a) (1) Except as otherwise provided in this section, the boundaries of the area subject to an adjudication action shall be consistent with the boundaries of a basin.
- (2) If the department revises the boundaries of a basin under Section 10722.2 or subdivision (b) of Section 12924 after an adjudication action has been initiated, the court may revise the boundaries of the area subject to the adjudication action as the interest of justice and the objectives of this chapter require.
- (3) Upon a showing that a revision of the basin boundaries would further a fair and effective determination of water rights, the court may direct any of the following to submit a request to the department for revision of the basin boundaries in accordance with Section 10722.2:
 - (A) A party to the adjudication action.
- (B) The board, if the court has made a reference under Part 3 (commencing with Section 2000) of Division 2.
 - (C) A special master, if one has been appointed.
- (b) If the court finds that including an interconnected surface water body or subterranean stream flowing through known and definite channels is necessary to the fair and effective determination of the rights to a basin, the court may require the joinder of persons

__17__ SB 226

who claim rights to divert and use water from that surface water body or subterranean stream in the adjudication action.

(e) If the court finds that claims of right to extract or divert only minor quantities of water, not to exceed five acre-feet per year, have no material effect on the rights of other parties, the court may exempt those claimants with respect to those claims for only minor quantities of water. A person exempted pursuant to this subdivision may elect to continue as a party to the adjudication action.

Article 3. Selection of Judge

- 10739. (a) A judge of a superior court of a county within which a portion of the groundwater adjudication lies shall be disqualified. The chair of the Judicial Council shall assign a judge to preside in all proceedings in an adjudication action.
- (b) An adjudication action is presumed to be a complex action within the meaning of Rule 3.400 of the California Rules of Court unless a party demonstrates that the comprehensive adjudication is not complex.
- (c) Sections 170.6 and 394 of the Code of Civil Procedure shall not apply in an adjudication action.
- (d) (1) Notwithstanding subdivision (b) of Section 10726.6, an action against a groundwater sustainability agency that is located in a basin that is being adjudicated under this chapter shall be subject to transfer, coordination, and consolidation with the adjudication action, as appropriate, if the action concerns the adoption, substance, or implementation of a groundwater sustainability plan, or the agency's compliance with the timelines in this part.
- (2) The judge assigned by the Judicial Council pursuant to subdivision (a) shall determine whether transfer, coordination, or consolidation is appropriate.

Article 4. Electronic Service

10739.6. Except for the service of a complaint pursuant to Article 5 (commencing with Section 10740), the service of pleadings and papers in an adjudication action shall occur electronically to the greatest extent possible. Each party shall serve documents by electronic mail, or other equivalent electronic means,

to the greatest extent possible. To enable electronic service of pleadings and papers, the attorney of record or a party representing themselves shall include an electronic mail address for service in the captions of pleadings and papers that the attorney or party files in the adjudication action.

Article 5. Notice and Service of Complaint

- 10740. (a) The plaintiff shall publish notice of the complaint pursuant to Section 6065 of the Government Code in each county that overlies the basin or a portion of the basin.
- (b) (1) The plaintiff shall provide notice of the adjudication action to all of the following:
- (A) A groundwater sustainability agency that overlies any portion of the basin.
- (B) A city, county, or city and county that overlies any portion of the basin.
- (C) A district with authority to manage or replenish groundwater resources of the basin in whole or in part.
- (D) The operator of a public water system or state small water system that uses groundwater from the basin to supply water service.
- (E) A California Native American tribe that is on the contact list maintained by the Native American Heritage Commission.
- (F) The Attorney General, the board, the department, and the Department of Fish and Wildlife.
- (G) A federal department or agency that manages a federal reservation that in any portion overlies the basin.
- (H) A person identified under subdivision (a) or (b) of Section 10740.4 who is not a party to the action.
- (I) An owner of real property in the basin, if a person who receives notice under Section 10740.2 notifies the plaintiff of the address of the owner of real property subject to the property tax bill.
- (J) A person who makes a request in writing, including electronic mail.
- (2) The plaintiff may provide notice required pursuant to this subdivision by first class mail or electronic mail.

-19- SB 226

(3) (A) Except as provided in subparagraph (B), the plaintiff shall provide notice required pursuant to this subdivision as follows:

- (i) To any person entitled to notice under subparagraphs (A) to (G), inclusive, of paragraph (1) within 15 days of the filing of the complaint.
- (ii) To any person entitled to notice under subparagraphs (H) to (J), inclusive, of paragraph (1) within 30 days of receipt of the name and address of the person entitled to notice.
- (B) The plaintiff may take additional time as is reasonably necessary before providing notice under this subdivision if the plaintiff determines that additional time is necessary to identify a person entitled to notice under this subdivision, to confirm the accuracy of the name or address of that person, or to determine whether the conditions requiring notice have been satisfied.
- (4) The plaintiff is not required to provide notice under this subdivision to a person who has already been served or intervened in the adjudication action.
- 10740.2. (a) When the plaintiff files the complaint, the plaintiff shall lodge all of the following with the court:
- (1) (A) A draft notice titled "NOTICE OF COMMENCEMENT OF GROUNDWATER BASIN ADJUDICATION" in no less than 20-point font and the following text printed immediately below the draft notice title in no less than 14-point font:

"THIS NOTICE IS IMPORTANT. ANY RIGHTS YOU CLAIM TO PUMP OR STORE GROUNDWATER FROM THE BASIN IDENTIFIED IN THIS NOTICE MAY BE AFFECTED BY A LAWSUIT INITIATED BY THE COMPLAINT SUMMARIZED BELOW.

A copy of the complaint may be obtained by contacting the plaintiff or the plaintiff's attorney identified in this notice. If you claim rights to pump or store groundwater within the basin, either now or in the future, you may become a party to this lawsuit by filing an answer to the lawsuit on or before the deadline specified in this notice. You may file an answer by completing the attached form answer, filing it with the court indicated in this notice, and sending a copy of the form answer to the plaintiff or the plaintiff's attorney. The form answer is provided for your convenience. Should you choose to file the form answer, it will serve as an answer to all complaints and cross-complaints filed in this case.

It is the duty of all persons who receive this notice and who claim rights to pump or store groundwater within the basin to appear in the lawsuit by the date specified below. All persons who claim rights to pump or store groundwater within the basin will be required to make proof of their claims within six months of their appearance in the lawsuit. Any claimant who fails to appear and submit proof of his or her claim shall be held to have forfeited all rights to pump or store groundwater. At the conclusion of the lawsuit, the superior court will enter a decree determining all water rights of the basin, whether based upon appropriation, overlying right, or other basis of right. You are encouraged to seek the advice of an attorney promptly."

- (B) The following information shall be provided immediately following the text described in subparagraph (A):
- (i) The name of the basin that is the subject of the adjudication action and a link to the Internet Web site address where the department has posted a map of the basin.
- (ii) A space to be completed with the case number assigned to the adjudication action, and the name and address of the court and department to which the action is assigned.
- (iii) The name, address, telephone number, and electronic mail address of the plaintiff, or plaintiff's attorney, from which the complaint may be obtained and to whom a copy of the form answer should be sent.
- (iv) A summary of the causes of action alleged in the complaint and the relief sought. The summary shall not exceed 25 lines.
- (v) A date by which persons receiving the notice must appear in the action.
- (2) (A) A draft form answer titled "ANSWER TO ADJUDICATION COMPLAINT" in no less than 20-point font and the following text printed immediately below the draft form answer title in no less than 14-point font:

"The undersigned denies all material allegations in the complaint or cross-complaint in this action that seeks to adjudicate rights in the groundwater basin and asserts all applicable affirmative defenses to that complaint."

(B) Notwithstanding any other law, the filing of an answer in the form described in subparagraph (A) in an adjudication action is sufficient to put at issue all material allegations and applicable affirmative defenses to the complaint in the adjudication action.

-21- SB 226

(b) Within 30 days of the assignment of a judge by the Judicial Council, the plaintiff shall file a motion for approval of plaintiff's draft notice and draft form answer filed pursuant to subdivision (a).

- (c) Once the court approves the draft notice, service of that notice in accordance with this section shall substitute for the summons otherwise provided for in civil actions pursuant to Section 412.20 of the Code of Civil Procedure.
- (d) (1) Following a court order approving the notice and form answer and authorizing service of landowners pursuant to this section, the plaintiff shall do all of the following:
- (A) Identify the assessor parcel numbers and physical addresses of all real property within the basin and the names and addresses of all holders of fee title to real property within the basin using the records of the assessor or assessors of the county or counties in which the basin to be adjudicated lies. The plaintiff shall provide the court and all parties with notice of its acquisition of, or sufficient access to, this information.
- (B) Mail, by registered mail or certified mail, return receipt requested, the notice, complaint, and form answer to all holders of fee title to real property in the basin. If the physical address of the real property differs from the address of the holder of fee title, the notice, complaint, and form answer shall be mailed by registered or certified mail, return receipt requested, to the physical address of the real property and the address of the holder of fee title.
- (C) If return receipt is not received for a parcel of real property, the plaintiff shall post a copy of the notice, complaint, and form answer in a conspicuous place on the real property.
- (D) Within 20 days of the court order, publish the notice at least once per week for four consecutive weeks in one or more newspapers of general circulation in each county overlying the basin in whole or in part.
- (2) Service pursuant to this subdivision is not required if the real property is part of a class of water users that are otherwise noticed in accordance with this chapter.
- (e) Upon completion of the mailing pursuant to subdivision (d), the plaintiff shall file with the court a notice of the completion of the mailing.

(f) Within 60 days after service is authorized, the plaintiff shall prepare and file a notice of the adjudication action in the office of the county recorder of each county overlying the basin in whole or in part. The notice shall be recorded in a manner so as to ensure that a person researching the title of a parcel will find the notice.

- (g) The plaintiff shall serve the court-approved notice and form answer by first class mail to any entity that is known, or with reasonable diligence can be determined, to hold title to real property in the basin but is exempt from property tax.
- (h) The court may authorize any other procedures it finds appropriate and necessary to provide notice to persons who may hold groundwater rights in the basin.
- (i) The court may require notice to be made available in languages other than English.
- (j) Within 15 days of the court's approval of the notice and form answer, the plaintiff shall provide the notice and form answer to the department and each county and groundwater sustainability agency that overlies any portion of the basin. The department, and each county and groundwater sustainability agency that overlies any portion of the basin and has an Internet Web site, shall do the following:
- (1) Post the notice and form answer on their Internet Web site within 15 days of receipt.
- (2) Provide a link to the notice and form answer from their Internet Web site home page.
- (3) Maintain the posting and link pursuant to paragraphs (1) and (2) for the entire time that the adjudication action is pending. The plaintiff shall notify the department and each county and groundwater sustainability agency when the adjudication action is no longer pending.
- 10740.4. (a) (1) Within 15 days of the court's approval of the notice under Section 10740.2, the plaintiff shall request from the following entities the names and addresses of persons reporting extractions within the basin under this part, or Part 5 (commencing with Section 4999) or Part 5.2 (commencing with Section 5200) of Division 2:
- (A) The board.
- (B) Any local agency designated as a board-designated local area that includes the basin, or a portion of the basin, under Section 5009.

__23__ SB 226

(C) Any groundwater sustainability agency for the basin or a portion of the basin.

- (2) The entities described in subparagraphs (A) to (C), inclusive, of paragraph (1) shall provide the plaintiff with the names, mailing addresses, and electronic mail addresses, if available, within 45 days of the plaintiff's request. Additionally, the board shall provide the mailing address and electronic mail address, if available, of any person known to the board who holds a permit or license authorizing underground storage in the basin or who claims a right to divert water for underground storage in the basin.
- (b) If extractions in the basin or a portion of the basin are not subject to reporting requirements under this part, or Part 5 (commencing with Section 4999) or Part 5.2 (commencing with Section 5200) of Division 2, the plaintiff shall request the names and addresses of all customers in the area who are supplied power to operate groundwater extraction facilities in the basin, as reflected in the utility records, from any investor-owned utility or municipal utility that provides electrical power in the area. The utility shall provide the plaintiffs with the names, mailing addresses, and electronic mail addresses, if available, within 45 days of the plaintiff's request.
- (c) Upon request, the plaintiff shall provide reimbursement for the reasonable costs incurred under this section to an entity described in subparagraphs (A) to (C), inclusive, of paragraph (1) of subdivision (a) or a utility described in subdivision (b). The entity or utility shall incur no civil liability by reason of its compliance with this section.
- 10740.6. (a) The plaintiff shall serve the complaint on any person known to extract groundwater within the basin. Service may be by personal service or by other method as provided by Article 3 (commencing with Section 415.10) of Chapter 4 of Title 5 of Part 2 of the Code of Civil Procedure.
- (b) The plaintiff shall serve the complaint on any person known to own real property that overlies the basin and that has not been sent the court-approved notice and form answer. Service shall be by first class mail.
- (c) Service on the United States shall be made in accordance with Section 666 of Title 43 of the United States Code.

(d) Section 389 of the Code of Civil Procedure shall not apply to a failure to join the United States or an Indian tribe to a comprehensive adjudication.

10740.8. (a) Whenever proceedings are instituted to determine rights to water under this chapter, it is the duty of all claimants interested in the proceedings and having notice of the proceedings pursuant to this chapter to appear in the proceedings and to submit proof of their claims at the time, and in the manner, required by this chapter.

(b) The fulfillment of the notice and service provisions of this chapter shall be deemed effective service of process of the complaint and notice on all interested parties of the adjudication action for purposes of establishing in rem jurisdiction and the comprehensive effect of the adjudication action.

Article 6. Intervention

- 10741. Any of the following may intervene in an adjudication action under this chapter:
- (a) The groundwater sustainability agency for the basin or portion of the basin.
- (b) Any city, county, or city and county, that overlies any portion of the basin.
- (c) Any person upon an ex parte application that demonstrates that the person holds fee simple ownership in a parcel in the basin or extracts or stores water in the basin. A person filing an ex parte application pursuant to this subdivision shall give notice to the plaintiff consistent with the California Rules of Court.

Article 7. Initial Disclosure

- 10741.5. (a) Except as otherwise ordered by the court, a party shall serve on the other parties and the special master, if one is appointed, an initial disclosure within six months of appearing in the adjudication action that includes all of the following information:
- 36 information:
 37 (1) The name, address, telephone number, and electronic mail
 - address of the party and, if applicable, of the party's attorney.

 (2) The quantity of groundwater extracted from the basin by the party and the method of measurement used by the party or the

25 SB 226

party's predecessor in interest for each of the previous five calendar years preceding the filing of the complaint.

- (3) A general description of the purpose to which the water has been put.
 - (4) The area in which the water has been used.

- (5) The location of each well or other source through which groundwater has been extracted.
- (6) The type of water right or rights claimed by the party for the extraction of groundwater.
 - (7) Any claims for increased or future use of groundwater.
- (8) The quantity of any beneficial use of any alternative water use that the party claims as its use of groundwater under any applicable law, including, but not limited to, Sections 1005.1, 1005.2, 1005.4, 1010, or 1011.
- (9) Identification of all surface water rights and contracts that the party claims provides the basis for its water right claims in the adjudication action.
- (10) The quantity of any replenishment of water to the basin that augmented the basin's native water supply, resulting from the intentional storage of imported or nonnative water in the basin, managed recharge of surface water, or return flows resulting from the use of imported water or nonnative water on lands overlying the basin by the party, or the party's representative or agent, during each of the five calendar years immediately preceding the filing of the complaint.
- (11) The names, addresses, telephone numbers, and electronic mail addresses of all persons possessing information that supports the party's disclosures.
- (12) Any other facts that tend to prove the party's claimed water right.
- (b) A party shall make its initial disclosures based on the information then reasonably available to it. A party is not excused from making its initial disclosures because it has not fully investigated the case, because it challenges the sufficiency of another party's disclosures, or because another party has not made its disclosures.
- (c) A party that has made its initial disclosures, as described in subdivision (a), or that has responded to another party's discovery request, shall supplement or correct a disclosure or response in all of the following situations:

(1) In a timely manner if the party learns that in some material respect the disclosure or response is incomplete or incorrect and the additional or corrective information has not otherwise been made known to the other parties during the disclosure or discovery process.

- (2) If the party extracts groundwater from the basin after the complaint is filed. The supplement filed under this paragraph shall report the quantity of water involved and be filed within 90 days of the end of the calendar year.
 - (3) As ordered by the court.
- (d) To the greatest extent possible, a party shall serve its initial disclosures electronically. If it is not possible for the party to serve its disclosures electronically, the party shall serve the disclosures in an electronic format saved on a portable storage media device such as a compact disc or flash drive.
- (e) A party's obligations under this section may be enforced by a court on its own motion or the motion of a party to compel disclosure.
- (f) A party's disclosures under this section shall be verified under penalty of perjury as being true and correct to the best of the party's knowledge.

Article 8. Case Management

10742. (a) In managing an adjudication action, the court shall

- convene a case management conference as provided by the California Rules of Court.

 (b) In an initial case management conference or as soon as
- (b) In an initial case management conference, or as soon as practicable, the court should consider the following, in addition to other matters:
- (1) Determining whether to seek adjustment of the basin boundaries pursuant to Section 10738.4.
- (2) Staying the action pursuant to Article 9 (commencing with Section 10742.5).
- (3) Appointing a special master pursuant to Article 10 (commencing with Section 10743).
- (4) Scheduling a hearing on a preliminary injunction pursuant to Article 11 (commencing with Section 10743.5).
- (5) Dividing the case into phases to resolve legal and factual issues.

__ 27 __ SB 226

- (6) Issuing orders to ensure that issues resolved in one phase are not relitigated in another.
- (7) Limiting discovery to correspond to the phases.
 - (8) Scheduling early resolution of claims to prescriptive rights.
- (9) Formation of a class or classes of an overlying groundwater rights holder pursuant to the criteria specified in Section 382 of the Code of Civil Procedure.

Article 9. Stay

- 10742.5. (a) Upon the motion of any party to an adjudication action, a court may stay an adjudication action for a period of up to one year, subject to renewal in the court's discretion upon a showing of good cause, in order to facilitate any of the following:
- (1) The adoption of a groundwater sustainability plan that provides for a physical solution or may otherwise address issues in the adjudication action.
- (2) The development of technical studies that may be useful to the parties in the adjudication action.
- (3) The voluntary mediation or participation in a settlement conference on all, or a portion of, the subject matters or legal questions identified in the adjudication action.
- (4) The compromise and settlement of the adjudication action or issues in the adjudication action.
- (b) A stay pursuant to this section shall not stay, or otherwise delay, the parties' obligations to provide initial disclosures pursuant to Article 7 (commencing with Section 10741.5) unless the court determines the initial disclosures will not benefit resolution of the comprehensive adjudication.

Article 10. Special Master

- 10743. (a) The court may appoint one or more special masters, whose duties may include the following:
- (1) Investigating technical and legal issues, as directed by the court. The special master shall compile a report of findings in accordance with Section 10743.2.
- (2) Conducting joint factfinding with the parties, their designees, or both.

(3) Investigating the need for, and developing the proposal for, a preliminary injunction pursuant to Article 11 (commencing with Section 10743.5).

- (4) Performing other tasks the court may deem appropriate.
- (b) The court shall fix a special master's compensation on the basis and terms stated in the appointing order. The court may set a new basis and terms for the special master after giving notice and an opportunity to be heard. The court shall allocate payment for the cost of the special master among the parties in an amount and a manner that the court deems equitable. The court may waive a party's payment obligation upon a showing of good cause.
- (e) The court may request that the board or department recommend candidates for appointment as special master or review the qualifications of candidates.
- (d) This section does not limit the authority of the court to make a reference pursuant to Chapter 1 (commencing with Section 2000) of Part 3 of Division 2.
- (e) This section does not limit the authority to appoint a watermaster pursuant to Chapter 3 (commencing with Section 4050) of Part 4 of Division 2 or any other law.
- 10743.2. (a) The special master shall make available a draft report and provide at least 60 days for the parties to submit written objections to the draft report.
- (b) An objection to the draft report shall identify the specific grounds and evidence on which the objection is based.
- (c) The special master may notice and hold hearings, as the special master deems appropriate, to gather information or address issues raised in the objections to the draft report.
- (d) The special master shall consider the objections to the draft report and prepare a final report that shall be filed with the court.

Article 11. Preliminary Injunction

- 10743.5. (a) Upon a showing that the basin is in a condition of long-term overdraft, the court may, upon notice and a hearing, issue a preliminary injunction.
- (b) The following information shall be admissible and shall constitute prima facie evidence of a condition of long-term overdraft:
 - (1) Bulletins and other reports of the department.

— 29 — SB 226

(2) A report of a special master indicating that a condition of long-term overdraft exists.

- (c) A preliminary injunction may include, but is not limited to, any of the following:
 - (1) A moratorium on new or increased appropriations of water.
- (2) A limitation on or reduction in the diversion or extraction of water.
- (3) An allocation among the parties establishing amounts of extraction allowed during the pendency of the action.
 - (4) Procedures for voluntary transfers.

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- (d) The court shall issue a preliminary injunction upon a determination of all of the following:
 - (1) The basin is in a condition of long-term overdraft.
- (2) The basin is a probationary basin or is not in compliance with the planning deadlines in subdivision (a) of Section 10720.7.
- (3) There is no interim plan in effect for the basin pursuant to Section 10735.8.
- (e) The court may provide a schedule for further reductions in extractions over a period of years if the court finds that doing so appears reasonably necessary to meet the sustainability goal within the timelines provided in subdivision (b) of Section 10727.2.
- (f) The terms of a preliminary injunction shall not determine the rights in the final judgment of the action.
- (g) No bond or undertaking shall be required for the issuance of a preliminary injunction.
- (h) The court may appoint a watermaster to oversee the enforcement of a preliminary injunction.

Article 12. Expert Witnesses

10744. (a) In addition to the other disclosures required by this chapter, a party shall disclose to the other parties the identity of any expert witness it may use at trial to present evidence.

(b) Unless otherwise ordered by the court, this disclosure shall be accompanied by a written report, prepared and signed by the expert witness, if the expert witness is retained or specially employed by the party offering the expert witness to testify as an expert in the action, or if the expert witness's duties as the party's employee regularly involve giving expert testimony. The report shall contain all of the following:

(1) A complete statement of all opinions the expert witness will express and the basis and reasons for those opinions.

- (2) The facts or data considered by the expert witness in forming his or her opinions.
- (3) Any exhibits the expert witness will use to summarize or support his or her opinion.
- (4) The expert witness's qualifications, including a list of all publications authored by the expert witness in the previous 10 years.
- (5) A list of all other cases in which the expert witness testified, as an expert at trial or by deposition, in the last five years.
- (6) A statement of the compensation to be paid for the witness's work and testimony in the adjudication action.
- (c) If subdivision (b) does not apply to an expert, the witness's disclosure shall include both of the following:
- (1) The subject matter on which the expert witness is expected to present evidence.
- (2) A summary of the expert witness's opinions and the facts or data considered by the expert witness in forming his or her opinion.
- (d) Unless otherwise stipulated by the parties, a party shall make the disclosures of any expert witness it intends to present at trial, except for an expert witness presented solely for purposes of impeachment or rebuttal, at the times and in the sequence ordered by the court. If there is no stipulation or court order, the disclosures of an expert witness shall be made as follows:
- (1) No sooner than 30 days after the court's entry of an order establishing the scope of the relevant phase of the adjudication action.
- (2) Except for a supplemental expert witness described in paragraph (3), no later than 60 days before the date set for trial for the relevant phase of the adjudication action.
- (3) For a supplemental expert witness who will express an opinion on a subject to be covered by another expert witness designated by an adverse party that was not among the subjects covered by an expert witness initially disclosed by the party offering the supplemental expert witness, no more than 20 days after the initial expert witness disclosure date.
- (e) The court may modify the disclosure requirements of subdivisions (b) through (d), inclusive, for expert witnesses

__31__ SB 226

presented solely for purposes of impeachment or rebuttal. In modifying the disclosure requirements, the court shall adopt disclosure requirements that expedite the court's consideration of the issues presented and shall ensure that expert testimony presented solely for the purposes of impeachment or rebuttal is strictly limited to the scope of the testimony that it intends to impeach or rebut.

- (f) (1) A party whose expert witness has made a disclosure pursuant to this section shall promptly supplement or correct the expert witness's disclosure in either of the following instances:
- (A) In a timely manner if the party learns that in some material respect the disclosure is incomplete or incorrect, if the additional or corrective information has not otherwise been made known to the other parties during the disclosure or discovery process.
 - (B) As ordered by the court.
- (2) A party's duty to supplement or correct its expert witness's disclosure includes the information included in the report and the information given during the expert witness's deposition. Unless otherwise stipulated by the parties or ordered by the court, any supplementation or correction shall occur at least 14 days before trial of the applicable phase of the adjudication action.
- (3) The court may authorize a supplemental deposition of an expert witness based on a supplemental disclosure made pursuant to this subdivision. The court shall appropriately condition the authorization of a supplemental deposition of an expert witness to ensure the expeditious completion of the applicable phase of the adjudication action. The court may require the party whose expert makes the supplemental disclosure to pay some or all of the costs associated with the supplemental deposition.
- (g) If a party or its expert witness fails to comply with this section, the court may, upon notice and hearing, exclude the expert witness's testimony from trial, authorize additional depositions of the expert witness at the party's expense, or take other appropriate action.

Article 13. Written Testimony

10744.5. (a) A court in an adjudication action may require the parties to submit written testimony of witnesses in the forms of affidavits or declarations under penalty of perjury in lieu of

presenting live testimony. The required written testimony may include, but is not limited to, expert witness opinions and testimony that authenticates documentary evidence. The court may order that the written testimony constitutes the entirety of the witness's direct testimony, require the written testimony to include any exhibits offered in support of the written testimony, and, in the case of written testimony of an expert witness, require a statement of the witness's qualifications.

- (b) If the court requires the submission of written testimony pursuant to subdivision (a), a complete copy of the direct testimony shall be served at least 21 days before trial. A complete copy of any rebuttal testimony shall be served no later than the first day of trial.
- (c) If the contents of the written testimony would have been admissible if the witness testified orally, the written testimony shall be received by the court as a documentary exhibit provided that the witness whose written testimony is being offered is made available for cross-examination by all parties.

Article 14. Physical Solution

10745. (a) The court shall have the authority and the duty to impose a physical solution on the parties in an adjudication action, consistent with Section 2 of Article X of the California Constitution, where necessary.

(b) Prior to adopting a physical solution presented by a party or considered on the court's own motion, the court shall determine whether a physical solution is required to prevent waste and unreasonable use by Section 2 of Article X of the California Constitution after considering any existing groundwater sustainability plan or program.

Article 15. Stipulated Judgment

10746. (a) If a party, or a group of parties, submits a proposed stipulated judgment, the court may adopt the proposed stipulated judgment if the court finds that it meets all of the following criteria:

(1) It is consistent with Section 2 of Article X of the California Constitution.

__33__ SB 226

(2) It treats objecting parties and any persons who have claims that are exempted under Section 10738.4 equitably as compared to the stipulating parties.

- (3) It will not substantially impair the ability of a groundwater sustainability agency, the board, or the department to comply with this part and to achieve the sustainability goal.
- (b) (1) The court may adopt a proposed stipulated judgment, as applied to the stipulating parties, if the stipulation meets the eriteria described in subdivision (a) and it is submitted by a party, or a group of parties, and supported by either of the following:
- (A) More than 50 percent of all named parties in the adjudication action.
- (B) Groundwater extractors responsible for at least 75 percent of the groundwater production in the basin during the past five ealendar years.
- (2) A party objecting to a proposed stipulated judgment pursuant to this subdivision shall demonstrate, by a preponderance of the evidence, that the proposed stipulated judgment does not satisfy one or more criteria described in subdivision (a) or that it substantially violates the party's water rights. If the objecting party is unable to make this showing, the court may impose the proposed stipulated judgment on the objecting party. The objecting party may be subject to a preliminary injunction under Article 11 (commencing with Section 10743.5) while the party's objections remain unresolved.
- 10746.2. Chapter 11 (commencing with Section 10735) shall not apply to a stipulated judgment approved by the court pursuant to Section 10746 if all of the following apply:
- (a) The proposed stipulated judgment meets the criteria of subdivision (a) of Section 10746.
- (b) All groundwater sustainability agencies within the basin support the proposed stipulated judgment.
- (e) A local agency has submitted the proposed stipulated judgment to the department for evaluation and assessment pursuant to Section 10733.4 or paragraph (2) of subdivision (b) of Section 10733.6. Notwithstanding subdivision (e) of Section 10733.6, a proposed stipulated judgment may be submitted to the department after January 1, 2017.
- (d) The department determines that the proposed stipulated judgment satisfies the objectives of this part for the basin.

Article 16. Judgment Binding on Successors

10747. The judgment in an adjudication action under this chapter shall be binding on the parties to the action, each party's successors in interest, including, but not limited to, heirs, executors, administrators, assigns, lessees, licensees, and upon the agents and employees of all these persons, and upon all landowners or other persons claiming rights to extract groundwater from within the basin.

Article 17. Continuing Jurisdiction

- 10748. (a) The court shall have continuing jurisdiction to modify or amend a final judgment in an adjudication action as follows:
 - (1) In response to new information or changed circumstances.
 - (2) In the interests of justice.
- (3) To ensure that the criteria of subdivision (a) of Section 10746 are met.
- (b) When feasible, the judge who heard the original adjudication action should preside over subsequent actions or motions to modify or amend the judgment.
- (c) If the court has approved a stipulated judgment not subject to Chapter 11 (commencing with Section 10735) in accordance with Section 10746.2, the department shall submit to the court the assessments and any recommended corrective actions that the department issues pursuant to Section 10733.8. The court, after notice and a hearing, shall determine whether to amend the judgment to adopt the department's recommended corrective actions.
- SEC. 10. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.

35 SB 226

SEC. 5. Chapter 12 (commencing with Section 10737) is added to Part 2.74 of Division 6 of the Water Code, to read:

Chapter 12. Determination of Rights to Groundwater

- 10737. Except as provided in this chapter, an adjudication action to determine rights to groundwater in a basin shall be conducted in accordance with the Code of Civil Procedure, including pursuant to Chapter 7 (commencing with Section 830) of Title 10 of Part 2 of that code.
- 10737.2. In an adjudication action for a basin required to have a groundwater sustainability plan under this part, the court shall manage the proceedings in a manner that minimizes interference with the timely completion and implementation of a groundwater sustainability plan, avoids redundancy and unnecessary costs in the development of technical information and a physical solution, and is consistent with the attainment of sustainable groundwater management within the timeframes established by this part.
- 10737.4. (a) Chapter 11 (commencing with Section 10735) shall not apply to a stipulated judgment approved by the court pursuant to Section 850 of the Code of Civil Procedure if both of the following apply:
- (1) A local agency or a party directed by the court to file the submission submits the judgment to the department for evaluation and assessment pursuant to paragraph (2) of subdivision (b) of Section 10733.6.
- (2) The department determines that the judgment satisfies the objectives of this part for the basin.
- (b) A party or group of parties proposing a stipulated judgment pursuant to subdivision (b) of Section 850 of the Code of Civil Procedure may submit the proposed stipulated judgment to the department for evaluation and assessment pursuant to paragraph (2) of subdivision (b) of Section 10733.6.
- (c) Notwithstanding subdivision (c) of Section 10733.6, a judgment or proposed stipulated judgment pursuant to this section may be submitted to the department after January 1, 2017.
- (d) A determination of the department on a submission pursuant to this section is subject to judicial review pursuant to Section 1085 of the Code of Civil Procedure. Venue shall be in the court

-36-

with jurisdiction over the adjudication action and the case shall be coordinated with the adjudication action.

10737.6. If the department determines that a judgment satisfies the objectives of this part in accordance with paragraph (2) of subdivision (a) of Section 10737.4, the department shall submit to the court the assessments and any recommended corrective actions that the department issues pursuant to Section 10733.8. The court, after notice and, if necessary, an evidentiary hearing, shall determine whether to amend the judgment pursuant to Section 852 of the Code of Civil Procedure to adopt the department's recommended corrective actions.

10737.8. In addition to making any findings required by subdivision (a) of Section 850 of the Code of Civil Procedure or any other law, the court shall not approve entry of judgment in an adjudication action for a basin required to have a groundwater sustainability plan under this part unless the court finds that the judgment will not substantially impair the ability of a groundwater sustainability agency, the board, or the department to comply with this part and to achieve sustainable groundwater management.

SEC. 6. This act shall only become operative if Assembly Bill 1390 of the 2015–16 Regular Session is enacted and becomes effective.